

**Louisiana School Employees' Retirement System
Regular Board Meeting**

**Tuesday, May 6, 2008
8:30 a.m.**

The Board of Trustees of the Louisiana School Employees' Retirement System convened in the Board Room (Room 100) of the Louisiana School Employees' Retirement System Building located at 8660 United Plaza Blvd., Baton Rouge, Louisiana. Mr. Larry Wilmer, Chairman of the Board, called the meeting to order at 8:37 a.m. The Lord's Prayer and Pledge of Allegiance were recited. Roll was called by Ms. Champagne.

Members Present: Mr. Larry Wilmer, Mr. Jeffrey Faulk, Sr., Ms. Betty Crain, Mr. Eugene Rester, Jr., Ms. Judith McKee, Mr. Philip B. Walther, Ms. Lori Pierce – designee for Mr. John Kennedy, State Treasurer, *Mr. Randy Davis – designee for Mr. Jay Dardenne, Secretary of State

Members Absent: Ms. Kathy Landry, Representative Joel C. Robideaux – Chairman of the House Retirement Committee, Senator D.A. "Butch" Gautreaux – Chairman of the Senate Retirement Committee

Staff Present: Mr. Charles P. Bujol – Executive Director, Ms. Debra Dudley – Assistant Director, Mr. Brendan Brosnan – Chief Investment Officer, Mr. Warren Ponder – Executive Counsel, Ms. Josie Meche – Investment Manager 1, Ms. Jennifer Champagne – Administrative Assistant 6

Also Present: Mr. Richard Ranallo and Mr. Brett Hazen – Segal Advisors, Inc.

* Mr. Randy Davis arrived at 9:35 a.m.

ON MOTION BY MR. RESTER, SECONDED BY MR. FAULK, Mr. Larry Wilmer, Mr. Jeffrey Faulk, Sr., Ms. Betty Crain, Mr. Eugene Rester, Jr., Ms. Judith McKee, Mr. Philip B. Walther, and Ms. Lori Pierce **voted affirmatively** to approve the agenda.

MANAGER PERFORMANCE REVIEW (SEGAL ADVISORS)

Richard E. Ranallo, CFA
Brett W. Hazen

Mr. Ranallo began the review by providing past, present, and future strategies within LSERS' portfolio. He noted potential investment opportunities that would be introduced by the investment managers during their presentation, including distressed debt, green fund, and global real estate. It was also noted that these investment opportunities would further diversify the portfolio and provide better returns. This led to a discussion on funding these investment opportunities, their affect on the overall portfolio, and the pros and cons of venturing into these investments.

Mr. Hazen provided an overview of financial market conditions, highlighted composite reports, and reviewed the overall performance of the portfolio.

Mr. Ranallo and Mr. Hazen then addressed questions from the Board, which led to a review of fiscal year performance and future strategies.

INVESTMENT MANAGER REPORTS

PRINCIPAL GLOBAL INVESTORS

Steve Walker – Managing Director, Institutional Sales & Marketing
Jennifer Perkins – Assistant Portfolio Manager

Mr. Walker began the presentation by providing a brief review of what would be presented and then turned the floor over to Ms. Perkins.

Ms. Perkins provided a report on account specifics. This included a detailed review of key statistics, geographic diversification, property account composition, property life-cycle diversification, strategic themes and property types, including office, retail, multi-family, and industrial. A review of acquisitions, dispositions, and account performance followed.

Ms. Perkins and Mr. Walker then addressed questions from the Board, their Investment Consultant, and LSERS' administrative staff, which led to a review of green building initiatives, financial incentives and other advantages of investing in green buildings.

PRUDENTIAL REAL ESTATE INVESTORS

James T. Murphy – Principal, Prudential Real Estate Investors

Joanna Mulford – Principal, Prudential Real Estate Investors

Mr. Murphy provided a summary of the fund, which included inception date, initial deposit, current value, and redemption requests to date. He then provided detailed information on PRISA, which is an open-end, commingled, core real estate fund that began operation in July 1970.

Ms. Mulford reviewed performance of the account. This included a detailed review of 2007 performance, 2007 objectives, income and total returns before management fees for periods ending March 31, 2008, total returns for periods ending March 31, 2008 for PRISA versus NCREIF, and total returns after management fees for periods ending March 31, 2008 for PRISA versus the Benchmark (NFI-ODCE). A review of the portfolio followed, which included leasing exposure, top 10 tenants, geographic diversification, and property type diversification.

Ms. Mulford then provided a review of the 2008 Outlook, including U.S. market conditions, performance objectives, and projections. This was followed by a review of investment strategies, including examples of recent Mezzanine Investments, and the management of capital flows.

Mr. Murphy and Ms. Mulford then addressed questions from the Board, their Investment Consultant, and LSERS' administrative staff, which led to a review of leverage within the portfolio. Euro-PRISA and investing in international properties, including pros and cons, were also discussed.

AXA ROSENBERG INVESTMENT ADVISORS

Feng Ding, CFA - Portfolio Manager

Ms. Ding provided a brief review of portfolio performance versus market performance. Background information on the firm was provided, including a review of the AXA Rosenberg Global Investment Group.

Ms. Ding then reviewed the investment process, which included strategy overview, investment process in terms of earnings advantage, how portfolios are built to provide better earnings, earnings forecasts, risk management, and costs of trade execution. This was followed by a review of market performance, recent portfolio performance, key performance drivers, earnings growth, fund performance, portfolio positioning, and fundamental characteristics as of March 31, 2008.

Information for the longer term performance record for the strategy, including assets under management by product and the North American 130/30 limited shorting equity composite, was also reviewed. Ms. Ding then addressed questions from the Board, their Investment Consultant, and LSERS' Administrative staff.

ANALYTIC INVESTORS

Mark D. Osterkamp – Director, Marketing and Client Service

Mr. Osterkamp began the presentation by noting that in October of 2007 the firm was given the opportunity to own up to 25% of the company that was originally owned by Old Mutual, which helps the firm in retaining and attracting new members of the investment team. This was followed by a brief review of the firm that included clients, total assets, and equity assets.

Mr. Osterkamp then provided a synopsis of the investment philosophy, analytic strategies, investment process, and risk controls.

An overview of the portfolio's performance and attribution was provided, followed by a month by month and first quarter review of the U.S. equity factor performance. Model adaptability and an outlook for 2008, specifically April 2008, were also provided.

Mr. Osterkamp then addressed questions from the Board, the Investment Consultant, and LSERS' Administrative staff.

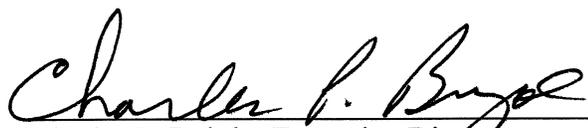
PUBLIC COMMENT

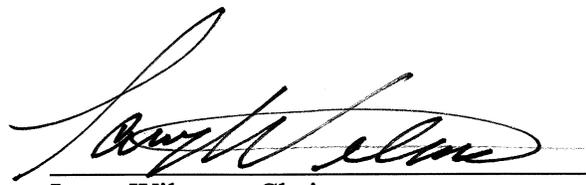
There were no public comments.

OTHER BUSINESS

There was no other business to discuss.

ON MOTION BY MR. FAULK, SECONDED BY MS. MCKEE AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 11:45 a.m.


Charles P. Bujol – Executive Director


Larry Wilmer – Chairman